



# Arkansas State Highway Commission Meeting

March 17, 2021

# Agenda

01 Meeting Minutes: February 3, 2021

02 Update on Bond Refinancing

03 Consideration of Minute Orders

04 Updates

State Highway Revenue  
Federal Highway and Transit Issues  
93<sup>rd</sup> General Assembly

05 **Consultant Selection:** Construction Manager General Contractor for  
I-49/Hwy 62 Interchange in Fayetteville

# Agenda

Continued

06 Charging Stations for Electric Vehicles

07 Upcoming Events

08 Other Business and Discussion

09 Winter Weather Review

Construction Bid Lettings Scheduled for:  
Wednesday, April 7, 10:00 A.M. and 1:30 P.M.

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# February 3, 2021 Meeting Minutes

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## Update on Bond Refinancing



# ARKANSAS STATE HIGHWAY COMMISSION

General Obligation Four Lane Highway Refunding Bonds, Series 2021

BID SUMMARY ANALYSIS

MARCH 17, 2021

# TRANSACTION OVERVIEW

ARKANSAS STATE HIGHWAY COMMISSION	
General Obligation Four Lane Highway Refunding Bonds, Series 2021	
Par Amount:	\$268,135,000
Sale Date:	March 11, 2021
Delivery/Closing Date:	April 14, 2021
Financial Advisor:	Stephens Inc.
Bond Counsel:	Friday, Eldredge & Clark
Purpose:	The Bonds will be issued to refund the final two maturities of the Series 2013 Bonds. The Series 2013 Bonds maturing on June 15, 2021 will remain outstanding.
Ratings:	S&P: (AA) Moody's: (Aa1)
Security:	The Bonds are secured by an irrevocable pledge of the full faith and credit of the State. The Bonds shall be payable first from the collections of a 0.5% State-wide sales and use tax levied pursuant to Amendment 91 and apportioned to the State Highway and Transportation Department Fund. These revenues will also be used to pay the principal of and interest on the Series 2013 Bonds maturing on June 15, 2021.
Redemption:	The Bonds are not subject to redemption prior to maturity.

# BID RESULTS

ISSUE SIZE	ISSUE DESCRIPTION	DATED	FINAL MATURITY
\$268,135,000	General Obligation Four Lane Highway Refunding Bonds, Series 2021	04/14/2021	06/15/2023
SALE DATE		TIME	
03/11/2021		10:00 a.m. CST	

BIDDER	TIC (%)
<b>J.P. MORGAN SECURITIES LLC</b>	<b>0.099995</b>
CITIGROUP GLOBAL MARKETS INC.	0.107848
BANK OF AMERICA MERRILL LYNCH	0.114572
WELLS FARGO BANK, NATIONAL ASSOCIATION	0.123999
MORGAN STANLEY & CO, LLC	0.125445
HILLTOPSECURITIES	0.143139
BNYMELLON CAPITAL MARKETS	0.159026
TD SECURITIES	0.159590
JEFFERIES LLC	0.179502



# SOURCES & USES

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Sources & Uses	FINAL
Dated 04/14/2021   Delivered 04/14/2021	
Sources Of Funds	
Par Amount of Bonds	\$268,135,000.00
Reoffering Premium	22,135,535.30
Transfers from Prior Issue Debt Service Funds	2,561,188.75
Total Sources	\$292,831,724.05
Uses Of Funds	
Deposit to Current Refunding Fund	292,502,112.95
Costs of Issuance	325,474.25
Rounding Amount	4,136.85
Total Uses	\$292,831,724.05

# PRICING REPORT

## Pricing Summary

FINAL

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
06/15/2022	Serial Coupon	5.000%	0.070%	129,690,000.00	105.761%	137,161,440.90
06/15/2023	Serial Coupon	5.000%	0.110%	138,445,000.00	110.592%	153,109,094.40
Total		-	-	\$268,135,000.00	-	\$290,270,535.30

## Bid Information

Par Amount of Bonds	\$268,135,000.00
Reoffering Premium or (Discount)	22,135,535.30
Gross Production	\$290,270,535.30
Total Underwriter's Discount (0.005%)	\$(13,406.75)
Bid (108.250%)	290,257,128.55
Total Purchase Price	\$290,257,128.55
Bond Year Dollars	\$452,013.99
Average Life	1.686 Years
Average Coupon	5.0000000%
Net Interest Cost (NIC)	0.1058752%
True Interest Cost (TIC)	0.0999949%

MATURITY	MMD	Spread to MMD
2021	-	-
2022	0.07	0.00
2023	0.11	0.00

# DEBT SERVICE COMPARISON

Gross Debt Service Comparison

FINAL

Date	Principal	Coupon	Interest	New D/S	Old D/S	Savings
06/15/2021	-	-	-	(4,136.85)	2,295,861.25	2,299,998.10
06/15/2022	129,690,000.00	5.000%	15,678,449.31	145,368,449.31	151,244,100.00	5,875,650.69
06/15/2023	138,445,000.00	5.000%	6,922,250.00	145,367,250.00	151,239,375.00	5,872,125.00
Total	\$268,135,000.00	-	\$22,600,699.31	\$290,731,562.46	\$304,779,336.25	\$14,047,773.79

PV Analysis Summary (Gross to Gross)

Gross PV Debt Service Savings	16,582,550.76
Transfers from Prior Issue Debt Service Fund	(2,561,188.75)
Contingency or Rounding Amount	4,136.85

Total Savings	\$14,025,498.86
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Total Savings /\$287,655,000 Refunded Principal	4.876%
Total Savings /\$268,135,000 Refunding Principal	5.231%

# REMAINING FINANCING SCHEDULE

MARCH 2021						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

APRIL 2021						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

DATE	EVENT	RESPONSIBILITY
March 17	Presentation of interest rate bids, approval of authorizing resolution and execute closing documents at ARDOT Commission Meeting	ARDOT / FEC / SI
March 18	Blacklined official statement distributed to working group for review	FEC
March 22	Distribute final official statement	FEC / SI
April 12-13	Pre-closing to review and approve closing documents	All Parties
April 14	Closing and transfer of funds	All Parties

**Key:**  
 ARDOT: Arkansas Department of Transportation  
 FEC: Friday, Eldredge & Clark  
 SI: Stephens Inc.

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## Consideration of Minute Orders

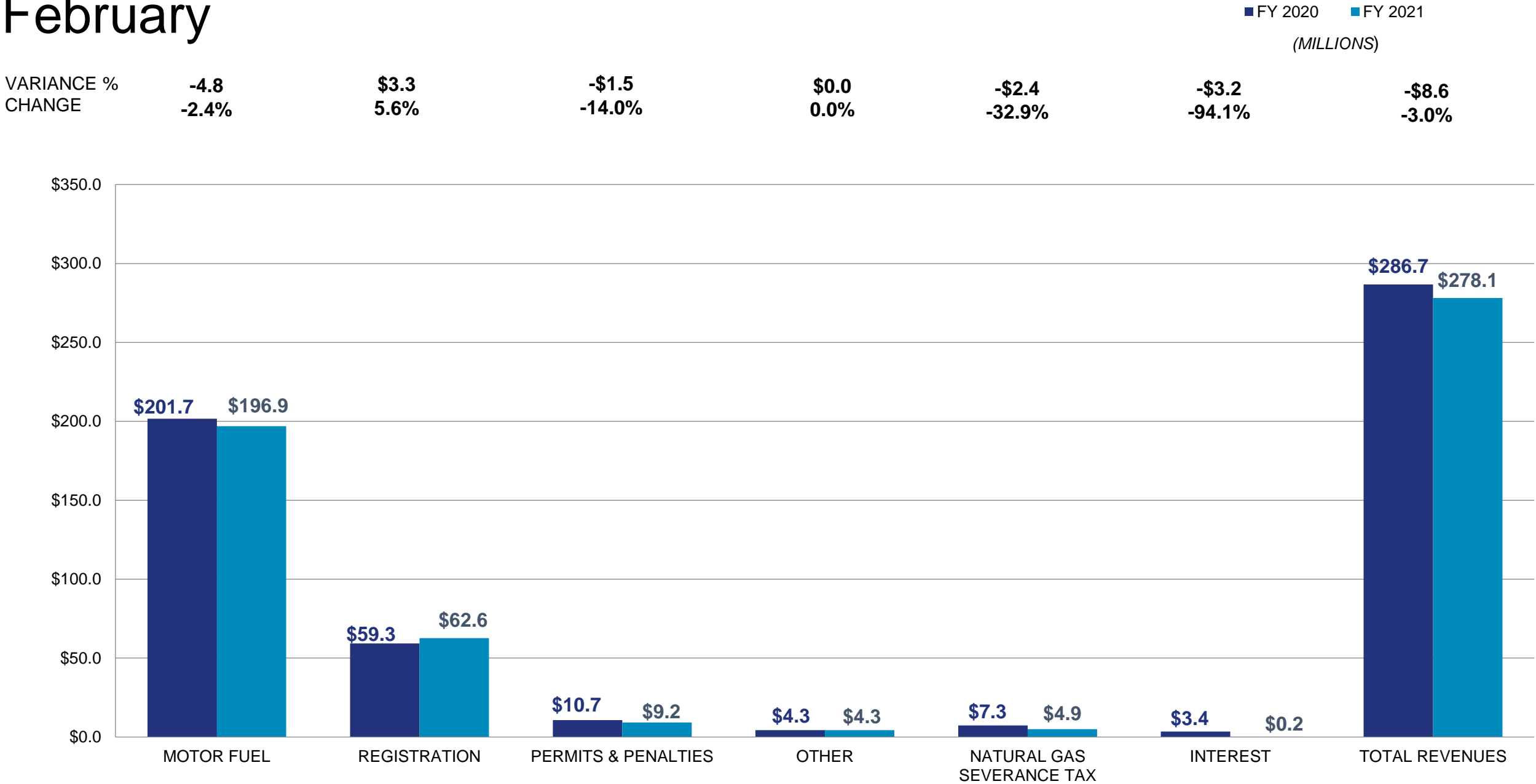
# State Highway Revenue

**Patrick Patton**

**Chief Fiscal Officer**

2020-2021 OPERATIONS BUDGETED REVENUE

February

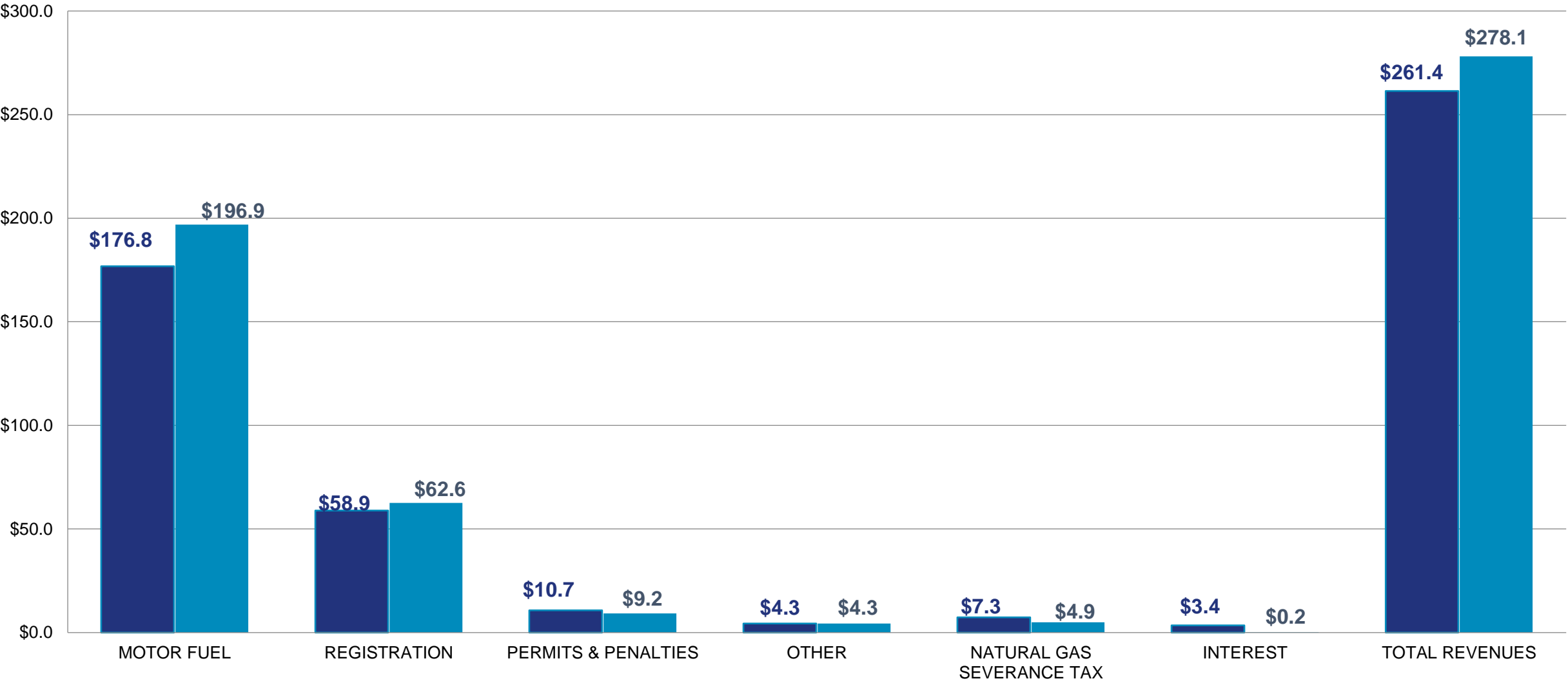


# FY 2021 OPERATIONS – BUDGETED VS. ACTUAL

## February

■ BUDGETED ■ ACTUAL  
(MILLIONS)

VARIANCE	\$20.1	\$3.7	-\$1.5	\$0.0	-\$2.4	-\$3.2	\$16.7
% CHANGE	11.4%	6.3%	-14.0%	0.0%	-32.9%	-94.1%	6.4%



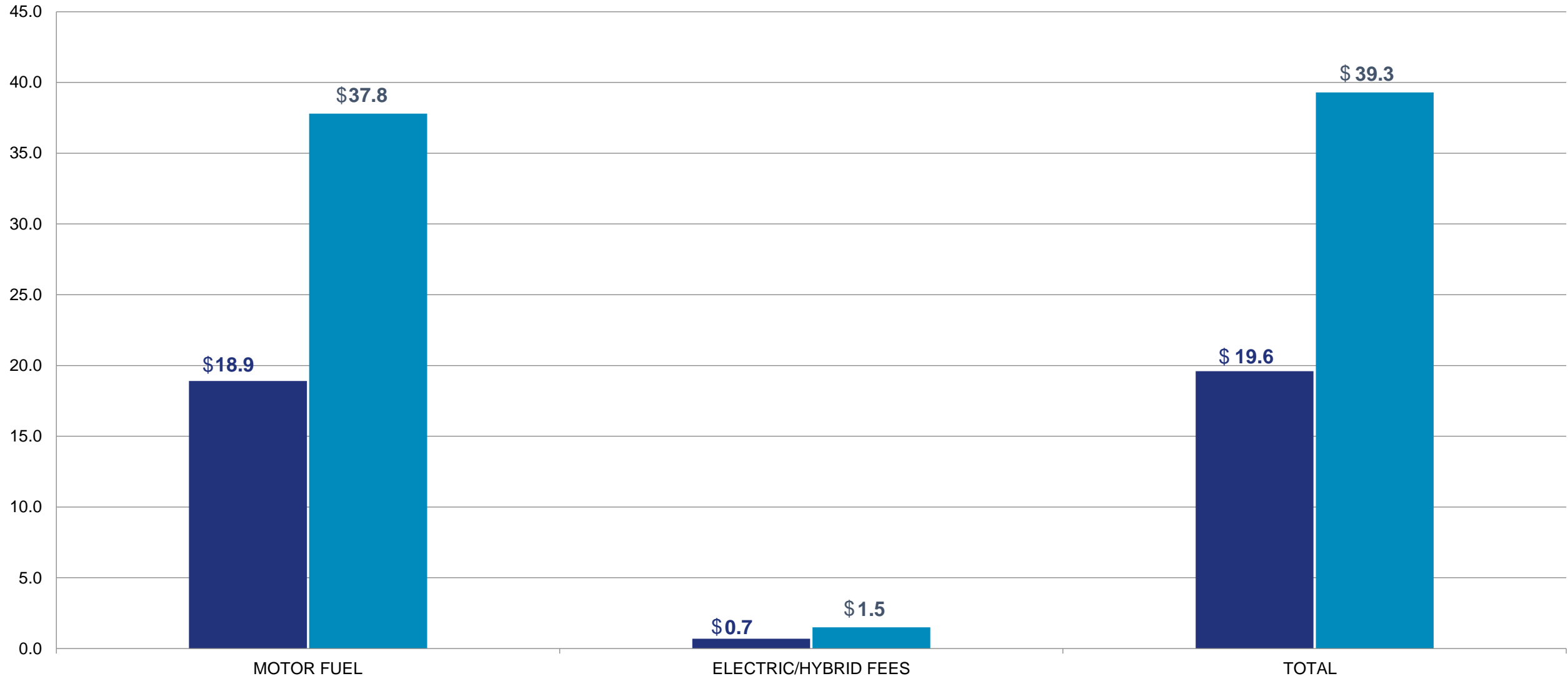


2020-2021 ACT 416 - BUDGETED REVENUE

February

FY 2020 FY 2021  
(MILLIONS)

VARIANCE \$18.9 \$0.8 \$19.7  
% CHANGE 100.0% 114.3% 100.5%



2020-2021 ACT 416 - BUDGETED VS. ACTUAL

February

BUDGET ACTUAL  
(MILLIONS)

VARIANCE  
% CHANGE

\$0.9  
2.4%

\$0.3  
25.0%

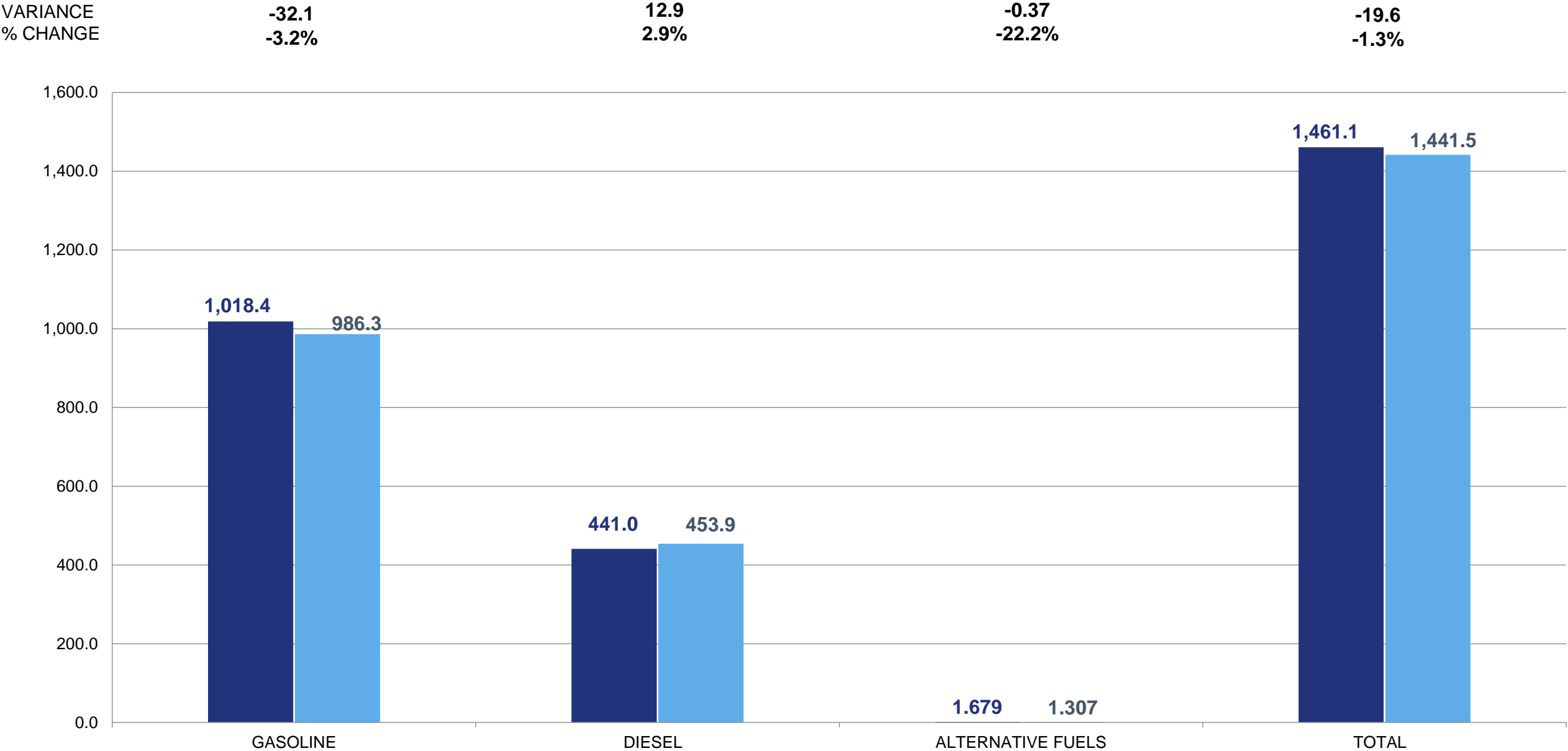
\$1.2  
3.1%



2020-2021 FUEL CONSUMPTION

February

FY 2020 FY 2021  
(MILLION GALLONS)





# Arkansas Fuel Consumption

## ROLLING 12-MONTH COMPARISON

	Previous 12 Months (gallons)	Current 12 Months (gallons)	Variance
Gasoline	1,511,969,020	1,426,721,821	-5.64%
Diesel	672,358,104	675,081,468	0.41%
Alternative	2,458,897	1,968,983	-19.92%
Total	2,186,786,021	2,103,227,272	-3.80%

## STATE FISCAL YEAR

# 2021 Sales Tax

	Projected Net	Actual Receipts	Variance	Monthly Variance	Actual Variance
Jul	17,170,000	18,816,487	1,646,487	9.59%	9.59%
Aug	17,380,000	18,702,853	1,322,853	7.61%	8.59%
Sept	17,240,000	18,476,462	1,236,462	7.17%	8.12%
Oct	16,450,000	19,012,252	2,562,252	15.58%	9.92%
Nov	16,880,000	17,479,833	599,833	3.55%	8.66%
Dec	17,740,000	18,363,093	623,093	3.51%	7.77%
Jan	17,030,000	18,975,533	1,945,533	11.42%	8.29%
Feb	15,520,000	17,458,638	1,938,638	12.49%	8.77%
Mar					
Apr					
May					
Jun					
<b>Total</b>	<b>135,410,000</b>	<b>147,285,150</b>	<b>11,875,150</b>		



# Half-Cent Sales Tax

**PROJECTED vs. ACTUAL**

Projected Net	Actual Receipts	Variance	Percent Variance
\$1,393,048,512	\$1,401,291,660	\$8,243,147	0.59%

# Federal Highway and Transit Issues

**Kevin Thornton**

**Assistant Chief – Administration**

# Federal Highway and Transit Funding Issues

- Pete Buttigieg New Secretary of Transportation
- President Signs the American Rescue Plan Act
- Includes \$57.7 Billion for Transportation
- No Additional Funds for Highways
- Reauthorization of the FAST Act
- Next Infrastructure Bill





# Infrastructure for Rebuilding America (INFRA) Grants

- \$1 Billion Appropriated by Congress
- Focus Areas
  - Climate Change and Environmental Justice
  - Racial Equity
  - Support Economic Vitality Nationally & Regionally
  - Leveraging Federal Funding
  - Potential for Innovation
  - Performance and Accountability
- Applications are due March 19, 2021
- Three Applications may be Submitted



## Interstate 40 & Highway 59 Interchange Improvements



## Interstate 55 Corridor Improvements



## Future I-69 Highway 278 to Highway 65



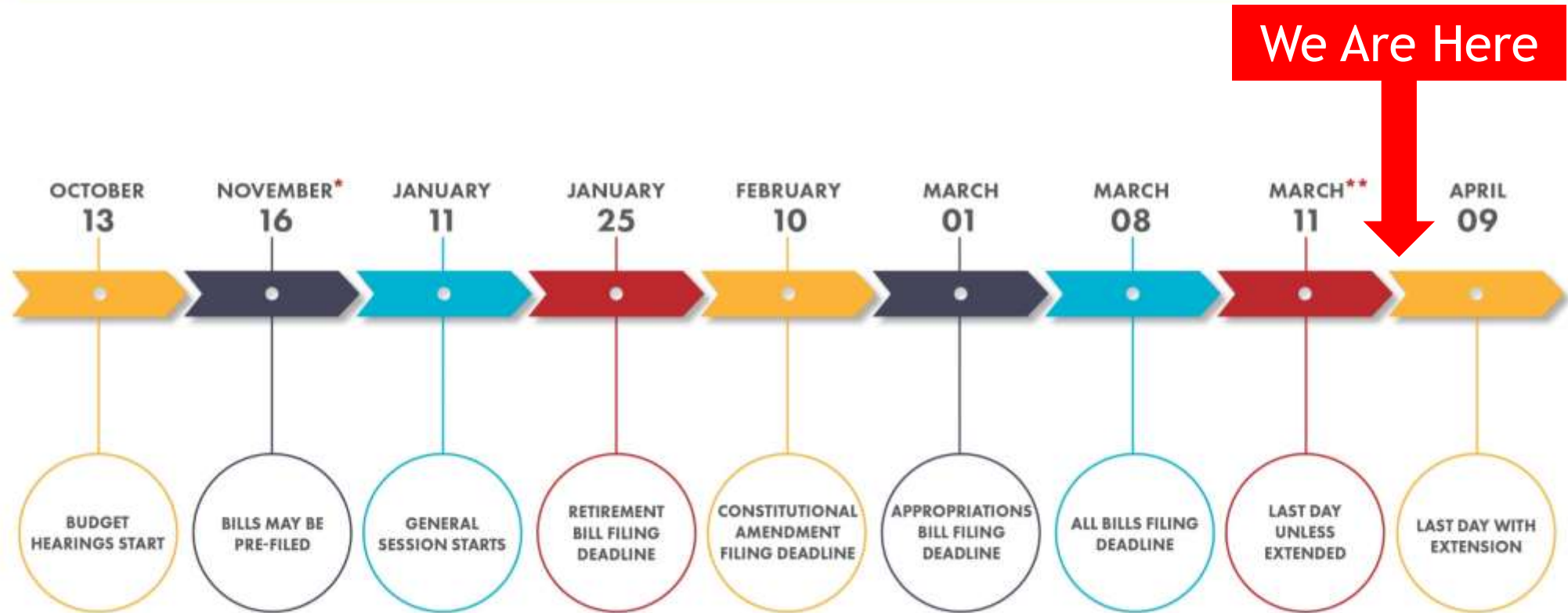
# 93<sup>rd</sup> General Assembly

**Randy Ort**

**Deputy Director & Chief Operating Officer**



## 2021 GENERAL SESSION IMPORTANT DATES



\* THE DIRECTOR OF DFA IS REQUIRED TO PROPOSE A BALANCED BUDGET AND REVENUE FORECAST NO LATER THAN 60 DAYS BEFORE THE START OF THE SESSION.

\*\* NO BILL MAY BE FILED THE LAST THREE DAYS OF A SESSION.

## ARDOT Bills

Bill Number	Bill Description	Status
SB102	Changes Employer Contributions to the Retirement System	Act 137
SB103	Changes DROP Contribution Requirements	Act 138
SB104	Changes to Average Compensation for the Retirement System	Act 149
SB105	Changes to Marriage Eligibility Requirements for the Retirement System	Act 139
SB106	Changes to the Healthcare Offsets for DROP Participants	Act 150
SB406	Modifies the Employee's Oath of Office	Act 326
HB1115	Changes to Weight of Commercial Vehicles	Sent to Governor
HB1602	Changes to Federal Law References Regarding Relocation Assistance	House Public Transportation Committee
SB415	Adds Reference to Federal Law Regarding Relocation Assistance	House State Agencies Committee
HB1418	Increases the Maximum Vehicle Height to 14' on State Highways	Deferred
HB1221	ARDOT Appropriation for 2021-2022 Fiscal Year (FY2022)	Joint Budget Committee

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**Consultant Selection:**

**Construction Manager General Contractor:**

**I-49/Hwy 62 Interchange in Fayetteville**

**6**

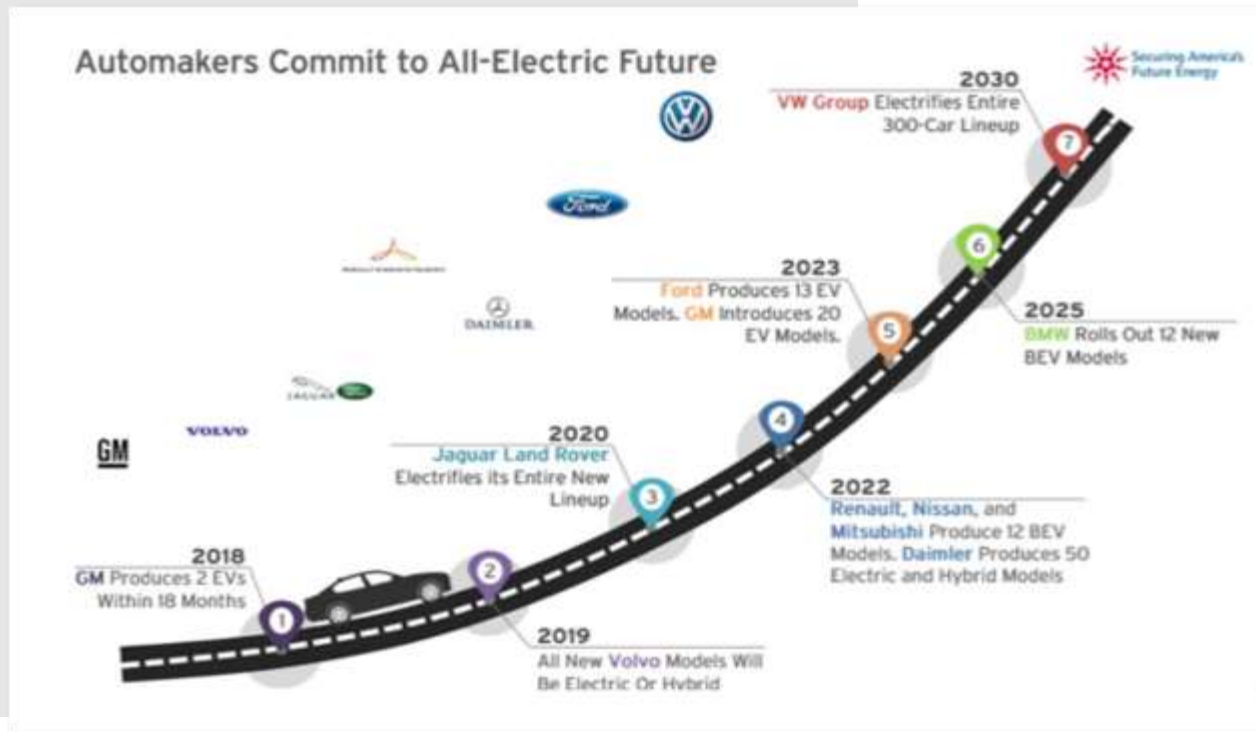
# **Charging Stations for Electric Vehicles**

**Steve Frisbee, P.E.**

**Transportation Planning & Policy Division Head**

# Automakers Commit to All-Electric Future

General Motors sets goal of going largely electric by 2035

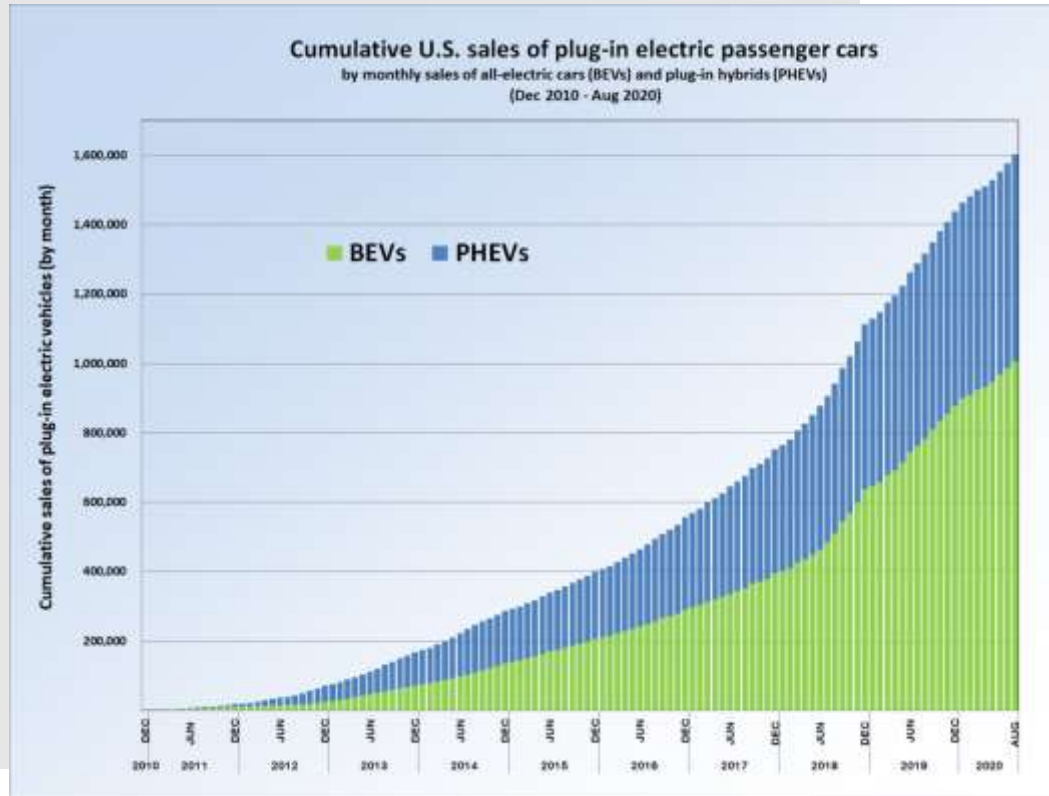




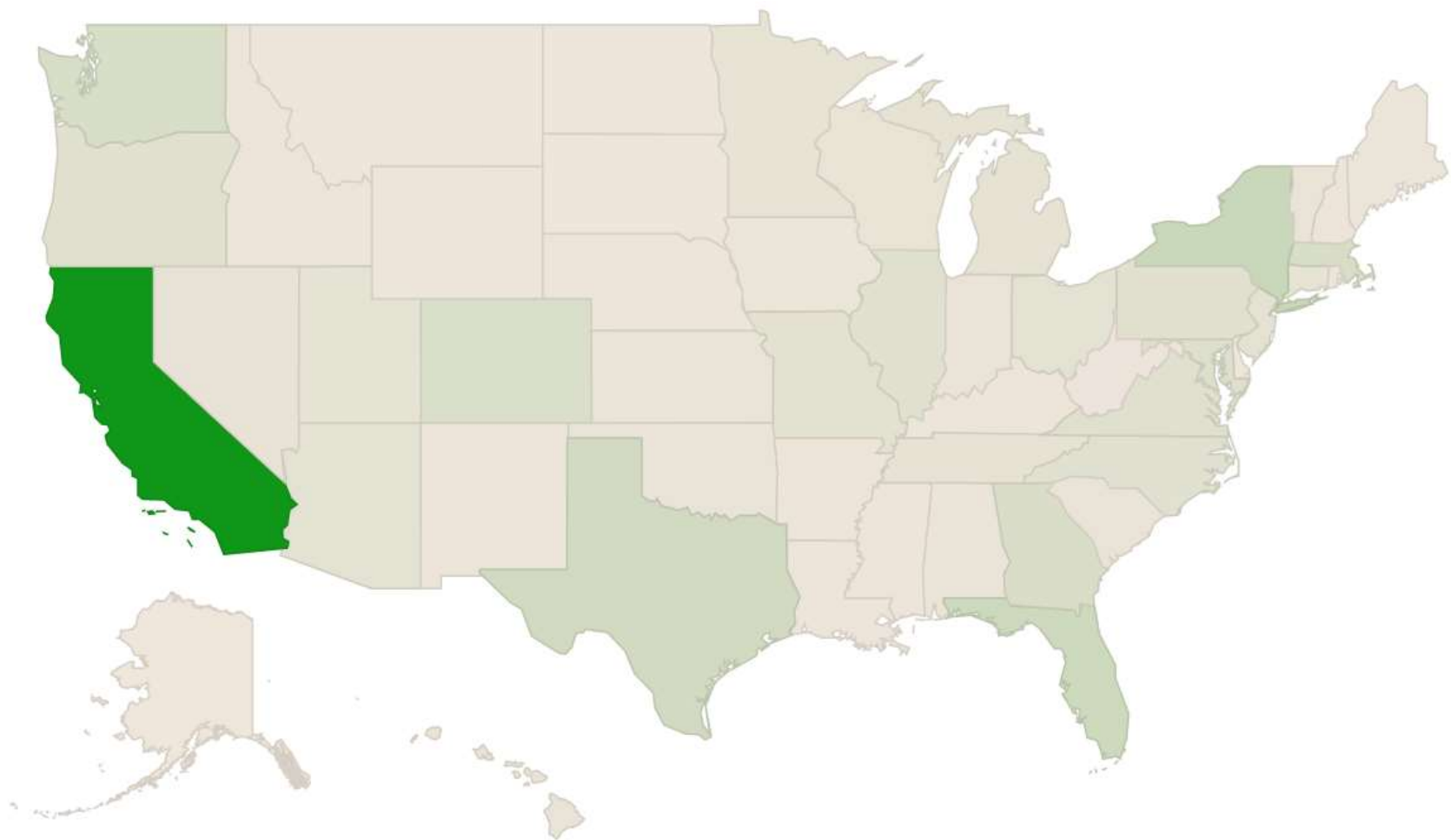
# Electric Vehicle (EV) Sales in U.S.

**1.74 Million EV Sold since 2010**

- EV are 2% of U.S. Vehicle Sales
- Almost half of EV sales are in CA



# Charging Station Locations



## EV Charging Stations

<u>State</u>	<u>Stations</u>
Arkansas	105

## Neighbor States

Texas	1,965
Missouri	956
Tennessee	573
Oklahoma	265
Louisiana	136
Mississippi	92

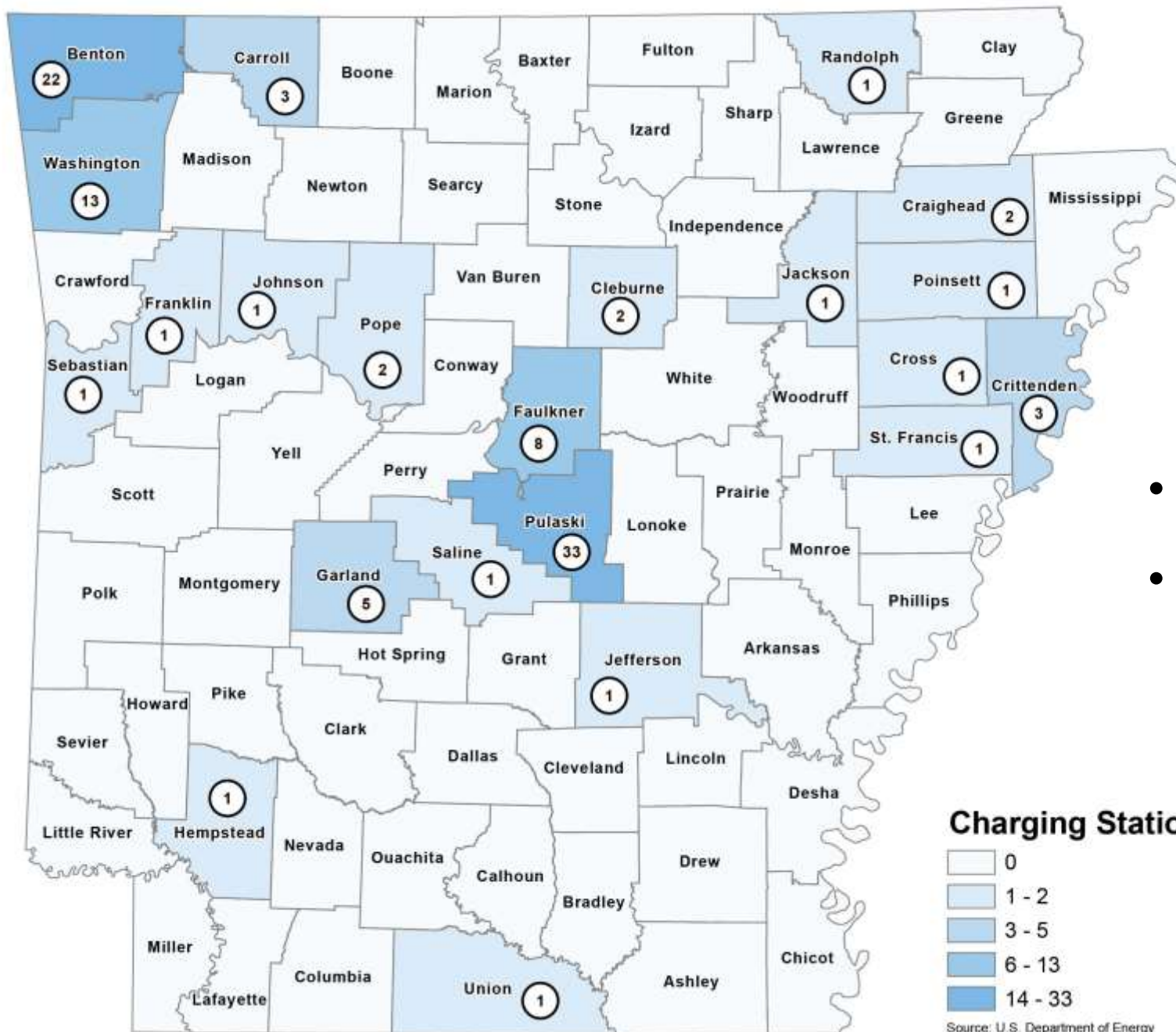
**California**      **12,608**

Source: [AFDC Alternative Fueling Station Locator Data](#)

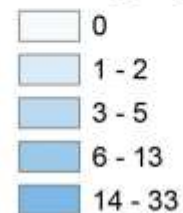
# Electric Vehicle (EV) Infrastructure

**105 EV Charging Stations**  
**330 Outlets**

- 1,143 All-Electric Vehicles (BEV)
- 180 Plug-in Hybrid (PHEV)
  - 20,203 Hybrid Electric Vehicles (HEV)  
(self-charging/do not plug in)

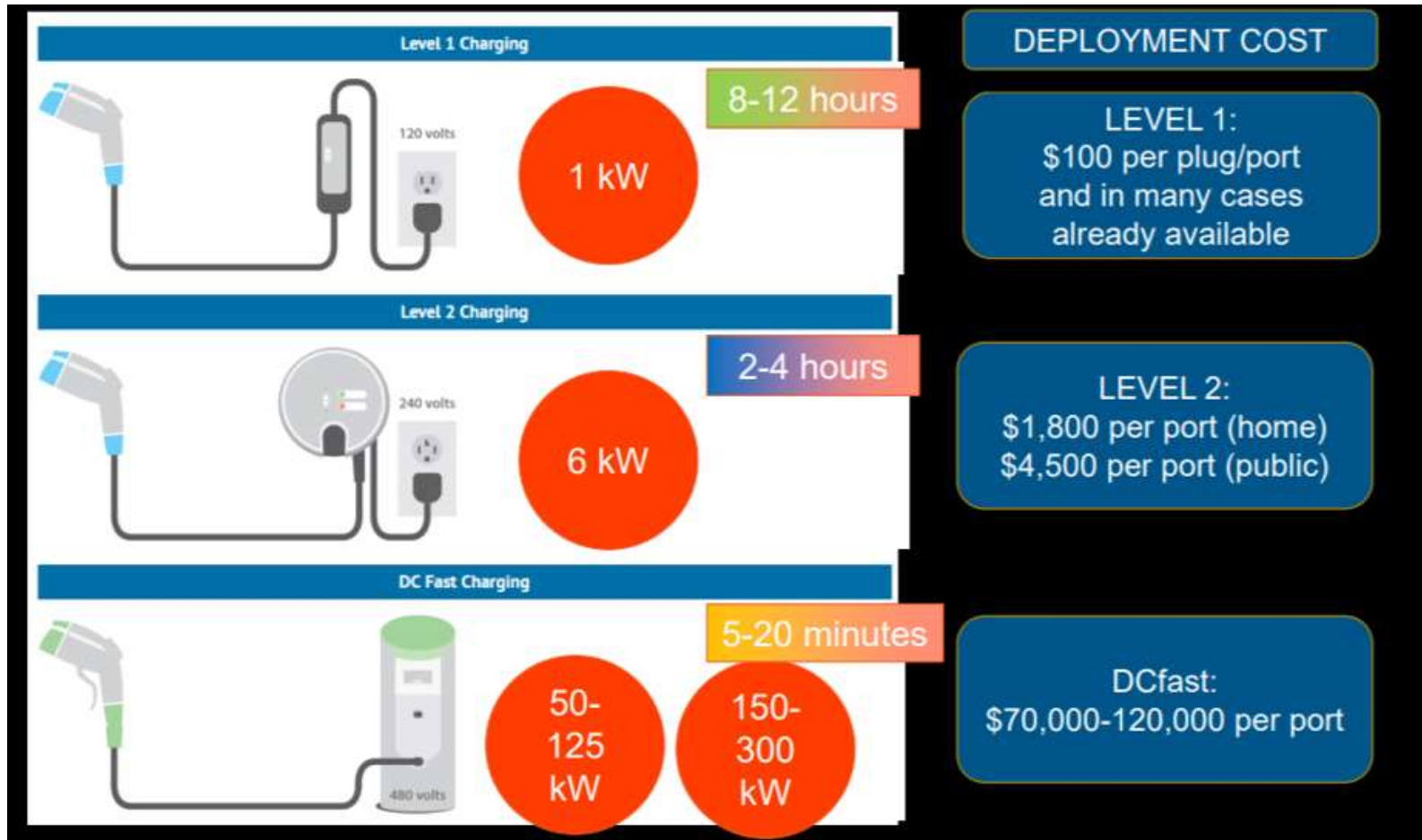


## Charging Stations



Source: U.S. Department of Energy

# Current Charging Options



**Adds 2-5 Miles of Range per hour charged**

**Adds 10-20 Miles of Range per hour charged**

**Can fully charge a depleted battery in 20 min.**

# Volkswagen Mitigation Trust

## Electric Vehicle Supply Equipment (EVSE) Rebate Program – Lead by DEQ

- \$2.2 M for new EV Charging Stations (Level 2 & DC Fast Charge)
  - 70-90% rebate for public stations
  - Max. rebate cap: \$5,325 - \$9,300

First Come, First Served Basis





# Alternative Fuels Corridor: I-40

## FHWA

- Fast Act – Section 1413
- National Network: *Identify Gaps*
- Designation: *Ready or Pending*

## Working With

TDOT & NCDOT



## UPCOMING

# Events

### MARCH 23

**Hot Springs Kiwanis Club Presentation  
(In Person)**

Director Tudor  
Noon | Hot Springs

### MAY 5

**Arkansas Highway Commission  
Business Meeting**

### APRIL 6-7

**Disadvantaged Business Enterprise  
Conference**

Director Tudor  
To Be Determined

### APRIL 27

**West Memphis Rotary Club Presentation  
(Virtual)**

Director Tudor  
Noon

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## Other Business & Discussion



MERIT AWARD  
Major Span

Broadway  
Bridge  
Over the  
Arkansas River  
Little Rock/  
North Little Rock, Ark.



2020  
PRIZE BRIDGE  
AWARDS



Greg Davis, courtesy of Massman

**National Steel  
Bridge Alliance  
Merit Award**

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# Winter Weather Review

**Dave Parker**

Public Information Officer

# Teamwork







**Pro-Active  
About  
Winter Weather**

WINTER

WEATHER



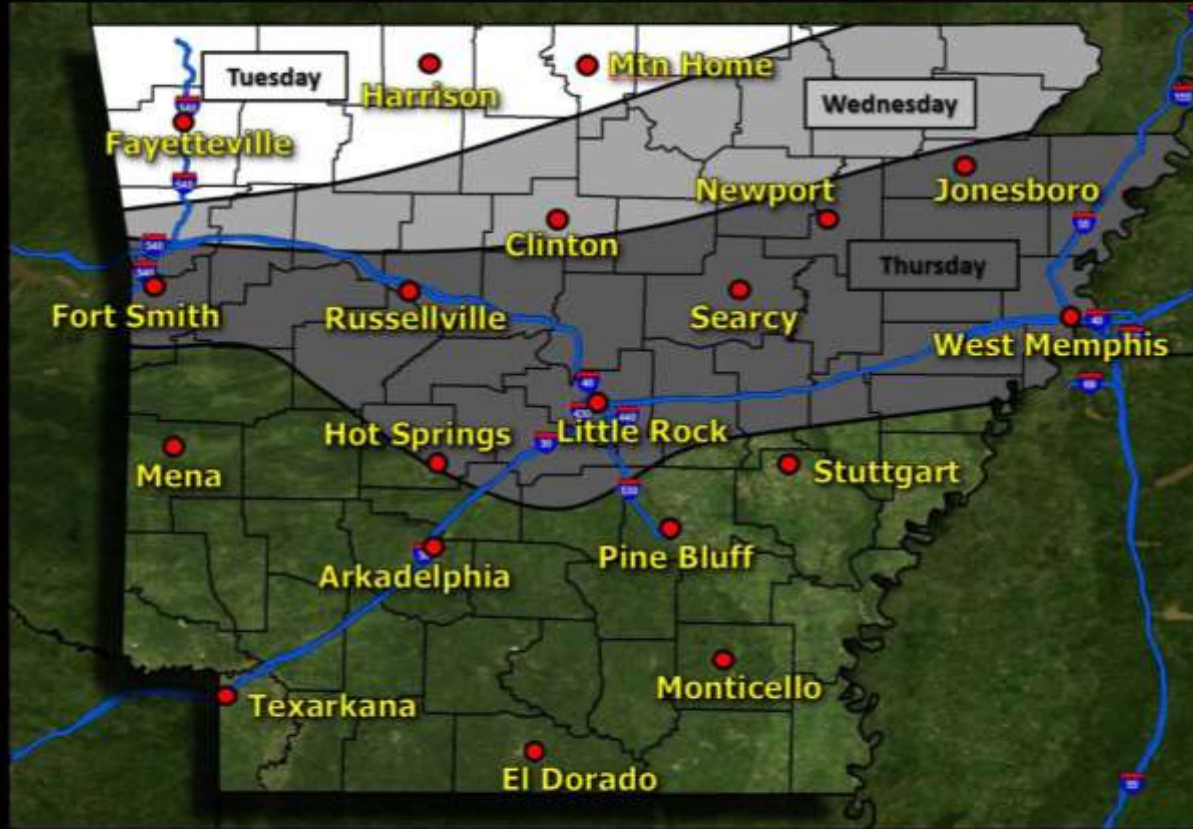


## Weather Channel Interview



## Freezing rain extent this week

Relative extent of wintry precipitation in the coming week



2/8/2021 6:36 AM

[www.weather.gov/LZK](http://www.weather.gov/LZK)



**01** Little Rock National Weather Service

Feb. 8, Morning Briefing

**02** Preparing for the Storm

Baxter Co.









## Second Weather Channel Interview



**Paul Vitale**  
@PVitaleSpeaks

I-40 is much improved west of Russellville  
[@KATVToddYak](#). [@myARDOT](#) is out in full force and  
doing a great job! [#arwx](#)



10:47 AM · Feb 16, 2021 · Twitter for iPhone



**Hayden Nix** ✓  
@HaydenNix

[@myARDOT](#) please give my thanks to the entire crew  
who has worked to keep the state roads in the best  
shape they can given the weather. You all have been on  
top of it this week! Only one more storm to go.

5:04 PM · Feb 16, 2021 · Twitter Web App



**Todd Yakoubian** ✓ @KATVToddYak · Feb 16  
I'm COMPLETELY serious. [@myARDOT](#) and [@CityLittleRock](#) have done a  
remarkable job on the roads. Great job [#ARWX](#)



**missark** ✓  
@missark

Replying to [@KATVToddYak](#) [@myARDOT](#) and [@CityLittleRock](#)

Highway 25 in Cleburne County today! 🙌



...



**Viktoria Capek** ✓  
@KATVViktoria

Plow putting in work on I-30 Little Rock. Give them  
space. Let them do their job...

Grateful for the extra work [@myARDOT](#) has been  
putting in [@KATVNews](#)



7:40 AM · Feb 17, 2021 · Twitter for iPhone

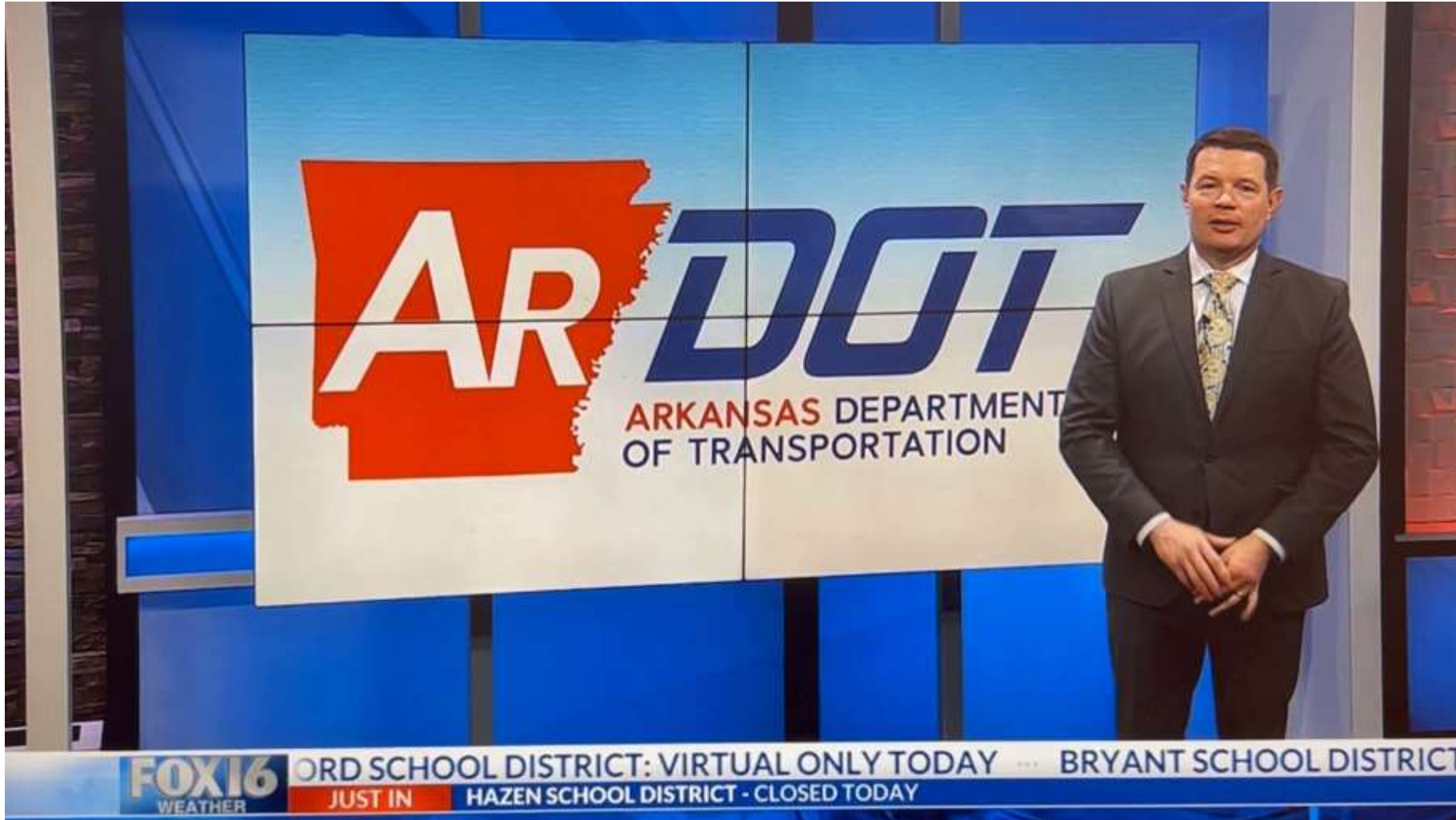


**Josh White** ✓  
@jjwhitetv

Had to make a quick run to Pocahontas, and I have to  
say that [@myARDOT](#) has done an AMAZING job on the  
roads. Hwy 412 was basically all pavement. Great job!!

7:36 PM · Feb 16, 2021 · Twitter for iPhone





## Fox 16 Interview



“I heard folks talking  
about being tired, but  
not about giving up.”  
— ARDOT District Engineer



 **Janeen GordonWMC**  
@JaneenGordonWMC

LOOK! It's a snow plow in [#WestMemphis](#). Thanks to all of the hardworking [@myARDOT](#) crews who have been working, non-stop, for days to keep the roads clear. [#wmctraffic](#)



6:26 AM · Feb 18, 2021 · TweetDeck

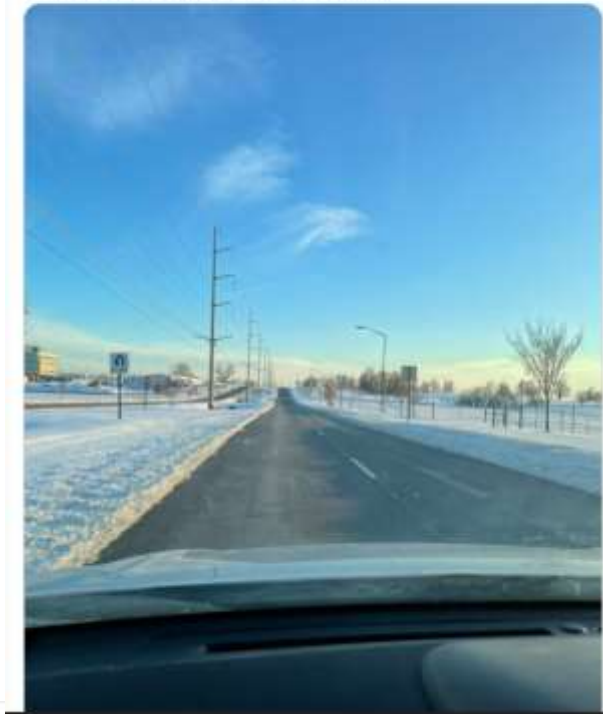
 **Gov. Asa Hutchinson** ✓  
@AsaHutchinson

Over the past week, [@myARDOT](#) has worked tirelessly to make sure we can continue to provide emergency services and other necessary tasks. We appreciate their work during this time. Continue to follow [iDriveArkansas.com](#) for road conditions across Arkansas.

5:41 PM · Feb 18, 2021 · Twitter Web App

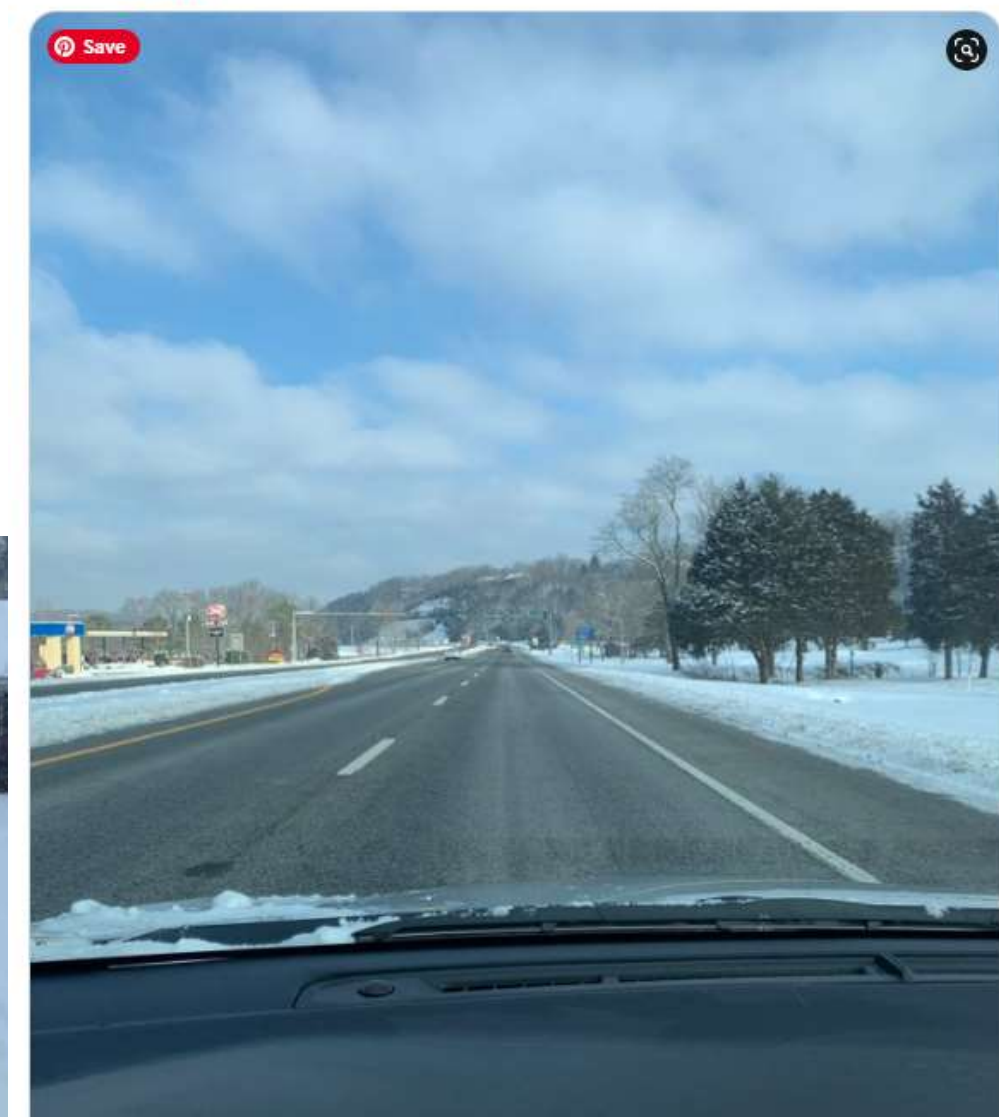
 **Mark Cloud**  
@markcloud

Replying to [@AsaHutchinson](#) and [@myARDOT](#)  
They're doing good work in NWA...



 **Dylan Shaddox**  
@DSHAD\_

I drove from Downtown Bentonville to west bella vista this morning. Wow! Awesome job [@myARDOT](#) Walton to Highway 71 to W. Lancashire looked great. Thank you! [#arwx](#)



PLANNING EQUIPMENT CONDITION  
COMMUNICATION  
EXTREME COLD  
LONG HOURS  
TEAMWORK RECORD  
BEING PRO-ACTIVE  
SNOWFALL

**ARDOT**





